

MEETING NOTES

PROJECT: Antelope Valley IRWM Stakeholder Meeting – 10/2 Addendum MEETING DATE: 10/16/2019

LOCATION: Conference calls ISSUED DATE: 10/18/2019

PARTICIPANTS: Holly Alpert (Inyo-Mono Region), Carmel Brown (DWR), Brian Dietrick (W&C), Matthew Knudson (AVEK), James Riley (PWD), Mike Shahbakhti (Palmdale, PRWA), Brach Smith (RCSD), Lauren Everett (KJ), Claudette Roberts (AVRCD), Debra Gillis (AVRCD)

Conference Call Notes

The following are developments regarding the Proposition 1 Round 1 IRWM Implementation Grant Application that took place after the last Stakeholder Meeting held on October 2, 2019. They are being documented here because the immediacy of the issues did not allow enough time to schedule a regular stakeholder meeting.

A. Addition of Grant Administration Project

The Antelope Valley IRWM Region has agreed to add a “Grant Administration” project to the Prop. 1 grant application. The Grant Administration project authorizes the grantee, the Antelope Valley State Water Contractors Association (AVSWCA), to administer grant funds and respond to DWR’s reporting and compliance requirements associated with the grant administration. The Region has agreed to set aside \$81,795, or 2.1% of total \$3.9M requested, for Grant Administration (maximum allowable is 10%). All project proponents have agreed to allocate 2.1% of their original grant request amount for Grant Administration.

B. DWR Policy Reversal on Compliance Order

Prior to the Pre-application Workshop held on July 30, 2019, the CA Dept. of Water Resources (DWR) expressed concern about the fact that RCSD’s Wastewater Treatment Plant (WWTP) Rehabilitation and Groundwater Protection Project was driven, in part, by a compliance order. The Lahontan Regional Water Quality Control Board (LRWQCB) issued revised waste discharge requirements under Order R6V-2015-0069 (November 5, 2015) requiring the RCSD to implement a treatment and disposal plan that will remedy an existing unauthorized discharge to the groundwater and prevent further contamination of the underlying groundwater aquifer, by 2021. It was noted with DWR that the proposed project would not only address the identified groundwater impacts resulting from the current WWTP operations; it would also augment local water supplies through groundwater recharge. In other words, not all the project benefits are related to the compliance order. However, according to the IRWM Proposal Solicitation Package (PSP) Guidelines, “...compliance obligations are not eligible projects and cannot be funded.” On August 2nd, the Region was notified via email that DWR’s legal team considered the eligibility of the project and determined that the project is not eligible for Prop. 1 IRWM Round 1 Implementation funding.

On October 15th, DWR notified the Lahontan Funding Area that a forthcoming amendment to the Prop. 1 Proposal Solicitation Package (PSP) would allow projects with compliance orders to be eligible for Prop. 1 funding. As a result, RCSD’s project will be eligible for Prop. 1 Implementation Funding. The grant application deadline for the Lahontan Funding Area was originally scheduled for October 21st. To allow additional time for projects that may have been eliminated under the original PSP guidelines, DWR offered a one-month deadline extension for the RCSD attachments in the grant application.

As of October 17, RCSD and the other four Project Sponsors have decided to reincorporate the WWTP Rehabilitation and Groundwater Protection Project into the Prop. 1 grant application for the Antelope Valley. Total grant requests have been revised to accommodate funding for RCSD’s project as well as for the Grant Administration project described in Section A above. Revised grant amounts are shown in Table 1. All the IRWM Regions in the Lahontan Funding Area (Antelope Valley, Mojave, Mono-Inyo, Tahoe Sierra, Lahontan Basins, and Fremont Valley) have been notified of this forthcoming change to the Prop. 1 PSP.

Table 1: Revised Grant Requests for Prop. 1 Round 1

Project Name (Sponsor)	Original Request ^(a)	Revised Request #1 ^(b)	Revised Request #2 ^(c)
SNIP Phase 2 (AVEK)	\$924,875	\$1,199,333	\$880,610
AV Regional Cons. Project (AVRCD)	\$195,500	\$297,000	\$290,763
Phase 2 Distribution System (PRWA)	\$924,875	\$1,199,333	\$880,610
Littlerock Dam Sediment Removal (PWD)	\$924,875	\$1,199,333	\$880,610
WWTP Rehab. and GW Protection (RCSD)	\$924,875	\$0	\$880,610
Grant Administration (AVSWCA)	\$0	\$0	\$81,795
Total	\$3,895,000	\$3,895,000	\$3,895,000

Notes: (a) Original grant request presented at the July 30th, Pre-application Workshop. (b) Revised grant request following the decision to remove the WWTP Rehab. and GW Protection project due to ineligibility. The maximum amount of AVRCD's costs allowed under the PSP guidelines were funded and the remaining funds were split among the three larger projects. (c) Revised grant request following DWR's decision to amend the Prop. 1 PSP regarding projects with compliance orders, allowing RCSD to apply for Prop. 1 funding. The maximum amount of AVRCD's costs allowed under the PSP guidelines were funded and the remaining funds were split among the four larger projects. Grant Admin. is calculated as 2.1% of grant request amount and is distributed proportionally by grant request amount.